

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN DAVE LEWIS**, on March 12, 2003 at 9:00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Dave Lewis, Chairman (R)
Rep. Rosalie (Rosie) Buzzas, Vice Chairman (D)
Rep. Edith Clark, Vice Chairman (R)
Rep. John Brueggeman (R)
Rep. Tim Callahan (D)
Rep. Stanley (Stan) Fisher (R)
Rep. Eve Franklin (D)
Rep. Dick Haines (R)
Rep. Donald L. Hedges (R)
Rep. Joey Jayne (D)
Rep. Carol C. Juneau (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. John Musgrove (D)
Rep. Jeff Pattison (R)
Rep. Rick Ripley (R)
Rep. John Sinrud (R)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Jon Moe, Legislative Branch
Mary Lou Schmitz, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 2, 2/25/2003
Executive Action: HB 2, DO PASS AS AMENDED, HB 177
Tabled

HB 2 - Day 4

Sponsor: REP. DAVE LEWIS, HD 55, Helena

CHAIRMAN LEWIS announced there would be a few amendments to clean up HB 2.

Motion/Vote: REP. CLARK moved that SECTION E BE OPENED FOR PURPOSES OF CONSIDERING TECHNICAL AMENDMENTS PREPARED BY STAFF, Motion carried unanimously 19-0 on a voice vote.

Motion: REP. CLARK moved that HB 2 BE AMENDED, (Exhibit 1 HB000210.apj -- Replacement of amendment HB000201.apj). **EXHIBIT**(aph52a01)

Discussion: Pam Joehler, Legislative Fiscal Division, explained the amendment, a technical correction.

Vote: Motion carried unanimously 19-0 on a voice vote.

Motion: REP. KAUFMANN made a conceptual motion that HB 2 BE AMENDED TO ADD LANGUAGE TO HB 2 PRAISING THE UNIVERSITY OF MONTANA FOR THE ENVIRONMENTAL STUDIES PROGRAM AND ACCOMPLISHMENTS IT HAS MADE.

Discussion:

REPS. KAUFMANN, BUZZAS, WITT, SINRUD and KASTEN discussed a controversial issue reported in a newspaper by a legislator so the above amendment is offered.

REP. KAUFMANN asked a student from the University of Montana to comment on the Environmental Studies Program and the value it brings to the state of Montana.

The student (Sara) said this particular program has been good for the state and for her because she is interested in working on mediation within a community. The real issue is academic freedom and the program is under the College of Art and Sciences. There are a lot of other programs under this College.

Vote: Conceptual amendment motion failed 8-11 with **REPS. LEWIS, CLARK, BRUEGGEMAN, FISHER, HAINES, HEDGES, KASTEN, PATTISON, RIPLEY, SINRUD and WITT** voting no on a roll call vote.

Motion/Vote: REP. HEDGES moved that SECTION E of HB 2 BE CLOSED. Motion carried 14-5 with **REPS. BUZZAS, JAYNE, JUNEAU, LINDEEN and MUSGROVE** voting no on a voice vote.

CHAIRMAN LEWIS announced corrections to be made and amendments to address those issues. One will be to put \$7 million into the Department of Corrections contingent upon passage and approval of HB 363 which will remove excess reserves from the Old Fund in the Workmen's Compensation System. There is about \$3 to \$4 million a year of additional excess reserves that will become available in 2004 and 2005. That will require opening Section D to do that. He will follow that up with a motion to do a 1% across the board cut in all General Fund appropriations other than Human Services. That will generate roughly \$17.8 million that would be placed into the Prevention and Stabilization Fund. The net result would be to get to about 98% of the General Fund budget that was proposed by the Governor for the Department of Public Health and Human Services.

EXHIBIT(aph52a02)

Motion/Vote: REP. FISHER moved that SECTION D of HB 2 BE OPENED. Motion carried 11-8 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN and MUSGROVE voting no on a roll call vote.

Motion: REP. FISHER moved that HB 2 BE AMENDED (Exhibit 3).

EXHIBIT(aph52a03)

Discussion:

In response to a question from REP. BUZZAS, Jon Moe, Legislative Fiscal Division, said, "What is projected to occur is that the liability that is established for those claims, has been reduced."

{Tape: 1; Side: A; Approx. Time Counter: 0 - 29.5}

Mr. Moe said what the law provides is that if the Old Fund comes up short, at some point in time, then money would have to be transferred from the General Fund. The claims total approximately \$90 million.

CHAIRMAN LEWIS said, "The \$18 million that is in HB 363 was earmarked for the early termination bill. This is in addition to that."

Vote: Motion carried 11-8 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN and MUSGROVE voting no on a roll call vote.

Motion/Vote: REP. FISHER moved that SECTION D of HB 2 BE CLOSED. Motion carried 17-1 with REP. JAYNE voting no on a voice vote.

Motion/Vote: REP. PATTISON moved that SECTION C of HB 2 BE OPENED. Motion carried 13-6 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU and KAUFMANN voting no on a voice vote.

Motion/Vote: REP. PATTISON moved that HB 2 BE AMENDED (Exhibit 4). Motion carried 18-1 with REP. KAUFMANN voting no on a voice vote.

EXHIBIT(aph52a04)

Motion/Vote: REP. PATTISON moved that SECTION C of HB 2 BE CLOSED. Motion carried unanimously on a voice vote.

Motion/Vote: REP. CLARK moved to open HB 2 FOR PURPOSES OF CONSIDERING A GLOBAL MOTION. Motion carried 11-8 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN and MUSGROVE voting no on a roll call vote.

Conceptual Motion: REP. CLARK moved a GLOBAL AMENDMENT FOR HB 2. to cut 1% of all agencies' budgets, General Fund.

Discussion:

CHAIRMAN LEWIS said the effect of this global motion is to take a 1% cut of all state agencies' budgets General Fund.

Clayton Schenck, Legislative Fiscal Division, said under OPI, (Office of Public Instruction) \$10 million would come out of that particular area. The intent of this language would be to say that \$1 million of that would go back into OPI if SB 323 is not passed in a certain form.

Jim Standaert, Legislative Fiscal Division, said SB 323 is **SENATOR GRIMES'** bill and is now in Senate Finance and Claims. This bill requires the County Retirement Fund, which funds the retirement currently of all school district employees, to change that so that all federally salaried employees employed by the school district would pay their own retirement. If the bill passes in that form then this condition would be met and \$7 million for the biennium would be added back to OPI. The bill is not in that form at the moment.

CHAIRMAN LEWIS said what the language says is, if the committee does the 1% cut and if SB 323 does not pass in the form that has been discussed, then they would put back \$7 million of that.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 29.3}

REPS. JUNEAU, LINDEEN, MUSGROVE, BUZZAS, PATTISON, FRANKLIN, LEWIS, responded and discussed at length the global amendment with comments for and against.

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REP. CLARK closed on her motion.

Vote: Conceptual Motion carried 11-8 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN and MUSGROVE voting no on a roll call vote.

Motion: REP. CLARK moved that HB 2 DO PASS AS AMENDED.

Discussion:

REPS. JAYNE, BUZZAS, FRANKLIN, CALLAHAN, MUSGROVE voiced their comments and concerns why they would vote against HB 2 as presented.

CHAIRMAN LEWIS responded by saying he has been very generous with time in giving people the opportunity to speak.

REPS. KASTEN, BRUEGGEMAN and SINRUD commented and spoke in favor of the bill.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 29.8}

REPS. LINDEEN, KAUFMANN, BUZZAS, HEDGES and FRANKLIN discussed the issues further.

Vote: Motion carried 10-9 with REPS. BUZZAS, CALLAHAN, FRANKLIN, HEDGES, JAYNE, JUNEAU, KAUFMANN, LINDEEN and MUSGROVE voting no on a roll call vote.

EXECUTIVE ACTION ON HB 177

Motion/Vote: REP. BUZZAS moved that HB 177 BE TABLED. Motion carried unanimously 19-0 on a voice vote.

Information paper given to Secretary after the meeting.

EXHIBIT(aph52a05)

ADJOURNMENT

Adjournment: 11:30 A.M.

REP. DAVE LEWIS, Chairman

MARY LOU SCHMITZ, Secretary

DL/MS

EXHIBIT (aph52aad)